

116TH CONGRESS
1ST SESSION

S. 650

To assist entrepreneurs, support development of the creative economy, and encourage international cultural exchange, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 5, 2019

Mr. UDALL introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To assist entrepreneurs, support development of the creative economy, and encourage international cultural exchange, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Comprehensive Resources for Entrepreneurs in the Arts
6 to Transform the Economy Act of 2019” or the “CRE-
7 ATE Act of 2019”.

8 (b) TABLE OF CONTENTS.—The table of contents for
9 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—SUPPORT FOR ARTISTS AND ENTREPRENEURS

- Sec. 101. Microloan program expansion.
- Sec. 102. SBA business loans for the creative economy.
- Sec. 103. SBA technical assistance programs.
- Sec. 104. Arts-focused economic development.
- Sec. 105. Arts-focused rural development.
- Sec. 106. International participation in the arts.
- Sec. 107. Disaster support for artists through FEMA.

TITLE II—CREATIVE COMMUNITY DEVELOPMENT

- Sec. 201. Artist Corps.
- Sec. 202. Demonstration program on support of local programs that promote creative and performance arts in local economic planning.
- Sec. 203. Creative placemaking activities under the Housing and Community Development Act of 1974.

1 **TITLE I—SUPPORT FOR ARTISTS**

2 **AND ENTREPRENEURS**

3 **SEC. 101. MICROLOAN PROGRAM EXPANSION.**

4 Section 7(m)(6) of the Small Business Act (15
5 U.S.C. 636(m)(6)) is amended by adding at the end the
6 following:

7 “(F) LOAN CRITERIA FOR ARTISTS AND
8 ARTS ENTREPRENEURS.—The Administration,
9 in consultation with eligible intermediaries,
10 shall develop loan criteria to ensure that small
11 business concerns owned and controlled by art-
12 ists and small business concerns that support
13 the creative economy receive loan proceeds
14 under this subsection.”.

15 **SEC. 102. SBA BUSINESS LOANS FOR THE CREATIVE ECON-**

16 **OMY.**

17 Section 7(a) of the Small Business Act (15 U.S.C.
18 636(a)) is amended by adding at the end the following:

1 “(36) CREATIVE ECONOMY.—In providing as-
 2 sistance under this subsection, the Administration
 3 shall develop procedures to evaluate the business
 4 proposals and business plans of small business con-
 5 cerns that focus on economic development, job cre-
 6 ation, and community growth with respect to the
 7 creative economy.”.

8 **SEC. 103. SBA TECHNICAL ASSISTANCE PROGRAMS.**

9 Section 21 of the Small Business Act (15 U.S.C. 648)
 10 is amended by adding at the end the following:

11 “(o) TECHNICAL ASSISTANCE PROGRAMS FOR ART-
 12 ISTS AND ARTS ENTREPRENEURS.—The Administration,
 13 in consultation with relevant stakeholders, shall develop
 14 technical assistance programs to be carried out by small
 15 business development centers under this subsection that
 16 target the specific needs of artists and arts entre-
 17 preneurs.”.

18 **SEC. 104. ARTS-FOCUSED ECONOMIC DEVELOPMENT.**

19 Title II of the Public Works and Economic Develop-
 20 ment Act of 1965 (42 U.S.C. 3141 et seq.) is amended
 21 by adding at the end the following:

22 **“SEC. 219. ARTS-FOCUSED ECONOMIC DEVELOPMENT.**

23 “(a) DEFINITIONS.—In this section:

1 “(1) BUSINESS INCUBATION PROGRAM.—The
 2 term ‘business incubation program’ means a pro-
 3 gram that—

4 “(A) accelerates the successful develop-
 5 ment of entrepreneurial businesses through
 6 business support resources and services, devel-
 7 oped or orchestrated by incubator management;

8 “(B) is designed to produce successful
 9 businesses; and

10 “(C) provides management guidance, tech-
 11 nical assistance, and consulting designed for
 12 young, growing businesses, including by pro-
 13 viding—

14 “(i) rental space and flexible leases;

15 “(ii) shared basic business services
 16 and equipment;

17 “(iii) technology support services; and

18 “(iv) assistance in obtaining financing
 19 necessary for growth of the business.

20 “(2) INCUBATOR.—The term ‘incubator’ means
 21 a multitenant facility with on-site management that
 22 directs a business incubation program.

23 “(b) ARTS-FOCUSED ECONOMIC DEVELOPMENT.—In
 24 providing grants and assistance under this Act (including
 25 through the local technical assistance, partnership plan-

ning, and comprehensive economic development strategies
 programs of the Economic Development Administration),
 the Secretary shall provide to artists and the creative
 economy support through traditional economic develop-
 ment tools, including—

“(1) incubators; and

“(2) economic development planning and tech-
 nical assistance.”.

SEC. 105. ARTS-FOCUSED RURAL DEVELOPMENT.

The Consolidated Farm and Rural Development Act
 (7 U.S.C. 1921 et seq.) is amended by adding at the end
 the following:

**“Subtitle I—Arts-Focused
 Economic Development**

“SEC. 385. ARTS-FOCUSED ECONOMIC DEVELOPMENT.

“(a) DEFINITIONS.—In this section:

“(1) BUSINESS INCUBATION PROGRAM.—The
 term ‘business incubation program’ means a pro-
 gram that—

“(A) accelerates the successful develop-
 ment of entrepreneurial businesses through
 business support resources and services, devel-
 oped or orchestrated by incubator management;

“(B) is designed to produce successful
 businesses; and

1 “(C) provides management guidance, tech-
 2 nical assistance, and consulting designed for
 3 young, growing businesses, including by pro-
 4 viding—

5 “(i) rental space and flexible leases;

6 “(ii) shared basic business services
 7 and equipment;

8 “(iii) technology support services; and

9 “(iv) assistance in obtaining financing
 10 necessary for growth of the business.

11 “(2) INCUBATOR.—The term ‘incubator’ means
 12 a multitenant facility with on-site management that
 13 directs a business incubation program.

14 “(b) ARTS-FOCUSED ECONOMIC DEVELOPMENT.—In
 15 providing grants and assistance under this Act (including
 16 through the local technical assistance, partnership plan-
 17 ning, and comprehensive economic development strategies
 18 programs of the Office of Rural Development), the Sec-
 19 retary, acting through the Assistant to the Secretary for
 20 Rural Development, shall provide to artists and the cre-
 21 ative economy support through traditional economic devel-
 22 opment tools, including—

23 “(1) incubators; and

24 “(2) economic development planning and tech-
 25 nical assistance.”.

1 **SEC. 106. INTERNATIONAL PARTICIPATION IN THE ARTS.**

2 Section 214(c)(6)(D) of the Immigration and Nation-
3 ality Act (8 U.S.C. 1184(c)(6)(D)) is amended—

4 (1) in the first sentence, by inserting “(i)” be-
5 fore “Any person”;

6 (2) in the second sentence—

7 (A) by striking “Once” and inserting “Ex-
8 cept as provided in clause (ii), once”; and

9 (B) by striking “Attorney General shall”
10 and inserting “Secretary of Homeland Security
11 shall”;

12 (3) in the third sentence, by striking “The At-
13 torney General” and inserting “The Secretary”; and

14 (4) by adding at the end the following:

15 “(ii) The Secretary of Homeland Security shall adju-
16 dicate each petition for an alien with extraordinary ability
17 in the arts (as described in section 101(a)(15)(O)(i)), an
18 alien accompanying such an alien (as described in section
19 101(a)(15)(O)(ii)), or an alien described in section
20 101(a)(15)(P) (other than an alien described in section
21 214(c)(4)(A) (relating to athletes)) not later than 14 days
22 after—

23 “(I) the date on which the petitioner submits
24 the petition with a written advisory opinion, letter of
25 no objection, or request for a waiver; or

1 “(II) the date on which the 15-day period de-
 2 scribed in clause (i) has expired, if the petitioner has
 3 had an opportunity to supply rebuttal evidence.

4 “(iii) If a petition described in clause (ii) is not adju-
 5 dicated by the end of the 14-day period described in clause
 6 (ii) and the petitioner is an arts organization described
 7 in paragraph (3), (5), or (6) of section 501(c) of the Inter-
 8 nal Revenue Code of 1986 and exempt from tax under
 9 section 501(a) of such Code for the taxable year preceding
 10 the calendar year in which the petition is submitted, or
 11 an individual or entity petitioning primarily on behalf of
 12 such an organization, the Secretary of Homeland Security
 13 shall provide the petitioner with the premium-processing
 14 services referred to in section 286(u), without a fee.”.

15 **SEC. 107. DISASTER SUPPORT FOR ARTISTS THROUGH**
 16 **FEMA.**

17 (a) IN GENERAL.—The President, acting through the
 18 Administrator of the Federal Emergency Management
 19 Agency, shall promulgate rules to ensure that expenses in-
 20 curred, as a result of a major disaster or emergency, by
 21 a self-employed or freelance worker to repair or replace
 22 tools, specialized or protective clothing, and equipment re-
 23 quired by the self-employed or freelance worker are consid-
 24 ered eligible expenses for assistance under section 408 of

1 the Robert T. Stafford Disaster Relief and Emergency As-
2 sistance Act (42 U.S.C. 5174).

3 (b) LIMITATIONS.—The rules promulgated under
4 subsection (a)—

5 (1) may not require, as a condition of receiving
6 such assistance under section 408 of the Robert T.
7 Stafford Disaster Relief and Emergency Assistance
8 Act (42 U.S.C. 5174), an applicant—

9 (A) to apply or be declined for assistance
10 from the Small Business Administration; or

11 (B) to demonstrate that assistance received
12 from the Small Business Administration does
13 not satisfy the total necessary expenses or seri-
14 ous needs arising out of a major disaster or
15 emergency; and

16 (2) shall provide that an applicant may not re-
17 ceive assistance from the Small Business Adminis-
18 tration and under section 408 of the Robert T. Staf-
19 ford Disaster Relief and Emergency Assistance Act
20 (42 U.S.C. 5174) for the same item.

TITLE II—CREATIVE COMMUNITY DEVELOPMENT

SEC. 201. ARTIST CORPS.

(a) CORPS.—Section 122(a) of the National and Community Service Act of 1990 (42 U.S.C. 12572(a)) is amended by adding at the end the following:

“(6) ARTIST CORPS.—

“(A) IN GENERAL.—The recipient may carry out national service programs through an Artist Corps that identifies and meets unmet needs within communities through artistic activities such as those described in subparagraph (B) and improves performance on the indicators described in subparagraph (C).

“(B) ACTIVITIES.—An Artist Corps described in this paragraph may carry out activities such as—

“(i) providing skilled visual and performance artists to address community needs through artistic activities in education, health care, and therapeutic settings, and in other settings in the community; or

“(ii) providing other artistic activities, addressing unmet community needs, that

1 the Corporation may designate, such as
2 providing technical assistance for grant
3 writing, marketing, and financial planning
4 for artistic initiatives.

5 “(C) ARTIST CORPS INDICATORS.—The in-
6 dicators for a corps program described in this
7 paragraph are—

8 “(i) any indicator relating to meeting
9 critical needs that the Corporation estab-
10 lishes; or

11 “(ii) any local indicator (applicable to
12 a particular recipient or community and on
13 which an improvement in performance is
14 needed) relating to meeting critical needs,
15 that is approved by the Corporation or a
16 State Commission.”.

17 (b) CONFORMING AMENDMENTS.—Section 122 of
18 such Act is amended—

19 (1) in subsection (b)(3), by striking “or (5)”
20 and inserting “(5), or (6)”; and

21 (2) in subsection (c)(1), in the matter preceding
22 subparagraph (A), by striking “through (5)” and in-
23 serting “through (6)”.

1 **SEC. 202. DEMONSTRATION PROGRAM ON SUPPORT OF**
 2 **LOCAL PROGRAMS THAT PROMOTE CRE-**
 3 **ATIVE AND PERFORMANCE ARTS IN LOCAL**
 4 **ECONOMIC PLANNING.**

5 (a) DEMONSTRATION PROGRAM REQUIRED.—The
 6 Secretary of Commerce shall establish a demonstration
 7 program to assess the feasibility and advisability of pro-
 8 viding support to covered programs to promote creative
 9 and performing arts in the economic planning of local gov-
 10 ernments.

11 (b) COVERED PROGRAMS.—For purposes of the dem-
 12 onstration program required by subsection (a), a covered
 13 program is any program that—

14 (1) was in effect on the day before the date of
 15 the enactment of this Act; and

16 (2) the Secretary of Commerce considers part
 17 of an art community.

18 **SEC. 203. CREATIVE PLACEMAKING ACTIVITIES UNDER**
 19 **THE HOUSING AND COMMUNITY DEVELOP-**
 20 **MENT ACT OF 1974.**

21 Title I of the Housing and Community Development
 22 Act of 1974 (42 U.S.C. 5301 et seq.) is amended—

23 (1) in section 102(a) (42 U.S.C. 5302(a)), by
 24 adding at the end the following:

25 “(25) The term ‘creative placemaking’ means
 26 an activity that integrates arts, culture, or design to

1 strengthen communities by advancing local eco-
2 nomic, physical, or social outcomes.”; and

3 (2) in section 105(a) (42 U.S.C. 5305(a))—

4 (A) in paragraph (25)(D), by striking
5 “and” at the end;

6 (B) in paragraph (26), by striking the pe-
7 riod at the end and inserting “; and”; and

8 (C) by adding at the end the following:

9 “(27) activities that support creative placemak-
10 ing through—

11 “(A) partnerships between local govern-
12 ments and nonprofit cultural organizations for
13 the purpose of community development; or

14 “(B) disseminating knowledge about how
15 to leverage arts and culture as mechanisms for
16 community development.”.

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